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## STATE OF FLORIDA

COMMISSIONERS: ART GRAHAM, CHAIRMAN LISA POLAK EDGAR RONALD A. BRISÉ JULIE I. BROWN JIMMY PATRONIS



OFFICE OF THE GENERAL COUNSEL CHARLIE BECK GENERAL COUNSEL (850) 413-6199

## Hublic Service Commission

March 2, 2015

Mr. Ansley Watson, Esq. Macfarlane Ferguson & McMullen P.O. Box 1531 Tampa, Florida 33601-1531 aw@macfar.com STAFF'S FIRST DATA REQUEST

via email

Re: Docket No. 150053-GU - Petition by Peoples Gas System for approval of special contract with Nopetro-Orlando, LLC.

Dear Mr. Watson:

By this letter, the Commission staff requests that Peoples Gas System (Peoples) provide responses to the following data requests with regard to the proposed special contract (Agreement).

- 1. Why does Peoples consider the Letter of Authorization (LOA) to be a special contract requiring Commission approval?
- 2. What is the projected cost to install the 5.1 miles of 6-inch steel pipe extension to provide service to Nopetro?
- 3. How long will it take to recover the cost of the facilities extension? Please provide the calculations illustrating the length of the recovery period.
- 4. Exhibit B to the petition specifies that Nopetro will pay a distribution charge as set forth in Rate Schedule GS-5 plus an "additional amount" to allow People to recover its cost of service and the facilities extension. Is the "additional amount" the difference between the \$0.11321 per therm shown in Rate Schedule GS-5 and the confidential per therm charge specified in Addendum A, paragraph (a), to the LOA? If not, please provide the additional amount.
- 5. In addition to the Distribution Charge of Rate Schedule GS-5, will Nopetro also be subject to the following Special Conditions fees specified in Rate Schedule GS-5? If not, please explain why.
  - Swing Service Charge

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- Energy Conservation Cost Recovery Adjustment Clause
- Competitive Rate Adjustment Clause
- Tax and Fee Adjustment Clause
- Cast Iron Bare Steel Replacement Rider Surcharge
- 6. Please provide the calculations arriving at the "annual average revenues" shown in Exhibit B to the petition.
- 7. Does Nopetro have the ability to bypass Peoples and/or obtain the service it needs from elsewhere?
- 8. Referring to Exhibit C to the petition, please explain and show the derivation of the amount shown in Line 1, Operation and Maintenance.
- 9. Referring to Exhibit C to the petition, please explain and show the derivation of the amount shown in Line 5, Return Requirements.
- 10. Exhibit B mentions Peoples providing service to Nopetro over the initial 15-year term of the LOA, while Exhibit D to the petition mentions a 20-year fueling arrangement term between Nopetro and LYNX. What payments will Nopetro make to Peoples during the years 15 to 20?
- 11. Exhibit D to the petition notes that LYNX has committed to a minimum annual take-or-pay commitment of 500,000 Diesel Gallon Equivalent (DGE) for 15 years. How many therms is the committed amount?

Please file the original and five copies of the requested information by Monday, March 16, 2015, with Carlotta Stauffer, Commission Clerk, Office of Commission Clerk, 2540 Shumard Oak Boulevard, Tallahassee, Florida, 32399-0850. Please feel free to call me at (850) 413-6212 if you have any questions.

Sincerely,

/s/ Martha F. Barrera

Martha F. Barrera Senior Attorney

MFB/as

cc: Office of Commission Clerk